till the end of Eleventh Plan. Rural telephone connection is proposed to be completed in 3 years.

Economic Package for Orissa

2613. MS. PRAMILA BOHIDAR:
SHRI B.J. PANDA:

Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that the Central Government have sought a report from the Governor of Orissa on the need for a special economic package to the cash-strapped debt-ridden Orissa State;

(b) whether it is also a fact that the State Government has asked for a special economic package of Rs. 13,096 crores to be implemented over a period of six years from 2004-05 to 2009-10, and also to write-off the heavy debt of the State; and

(c) if so, the status of the above proposals?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI M.V. RAJASEKHARAN): (a) No, Sir.

(b) Yes, Sir. The Economic Package among other items seeks an amount of Rs. 3778 crore towards debt write-off.

(c) In addition to the normal flow of funds under various centrally sponsored schmes, in Annual Plan 2005-06 central assistance on 100% grant basis has been made available for schemes to redress regional imbalances including Rs. 250 crore for the Special Plan for the undivided Kalahandi-Bolang-Koraput (KBK) districts and Rs. 75 crore under the Backward Districts Initiative. Further, Rs. 68 crore has been allocated as one time additional central assistance.

As far as outstanding debt is concerned, the Twelfth Finance Commission (TFC) has recommended a Debt Consolidation and Waiver Scheme for states. Under the scheme, the past Central loans contracted till 31.3.2004 and outstanding as on 31.3.2005 are to be consolidated and rescheduled for repayment in 20 equal annual instalments at a reduced interest rate of 7.5%, subject to States enacting Fiscal Responsibility and Budget Management Acts with suggested core of provisions. Government

of Orissa, as a result, would have to pay lesser amount of Rs. 872.85 crore under principal repayment and Rs. 1008.43 crore under lower interest payment. In addition, the debt write-off recommended by TFC is linked to reduction of revenue deficit of states for repayments due from 2005-06 to 2009-10 on the consolidated central loan, subject to laid down conditions. The above recommendations have been accepted by Government of India and detailed guidelines called 'The States' Debt Consolidation and Relief Facility (DCRF) 2005-06 to 2009-10" have been formulated and circulated to all State Governments. If Government of Orissa eliminates the revenue deficit by 2008-09, the repayment due from 2005-10 after consolidation and reschedulement amounting to Rs. 1751.29 crore may be written off subject to fulfillment of other laid down conditions by TFC.

Doubling of per capita income

2614. SHRIMATI JAMANA DEVIBARUPAL: Will the PRIME MINISTER be pleased to state:

(a) whether Planning Commission has set out a road map to double per capita income by 2012 and to start with, design programme for **a** yearly 8.1 per cent GDP growth in year 2002 to 2007;

(b) if so, the main features suggested by the Planning Commission to achieve the GDP growth of 8 per cent; and

(c) the steps that are being considered in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI M.V. RAJASEKHARAN): (a) Yes, Sir. The Tenth Plan aimed at doubling of per capita income in 10 years time frame by 2012. It settled for a target growth of 8.1 percent during 2002-03 to 2006-07, start with raising it further in the subsequent five years.

(b) An eight per cent rate of growth was considered necessary for achieving the social and economic targets of the Tenth Plan. It could be achieved, *inter- alia,* by: (i) Making larger public investments in infrastructure and social sectors; (ii) Improving allocative efficiency of resources; (iii) Enacting policy Reforms with a view to creating an investor friendly environment; and (iv) Improve governance and enhance the efficiency of delivery systems. The details are given in the Tenth Five Year Plan document which has been placed before the Parliament.